

LETTER OF TRANSMITTAL

December 4, 2015

The Honorable Nikki R. Haley, Governor
State of South Carolina
Members of the S.C. State Fiscal Accountability Authority
S.C. Public Employee Benefit Authority Board

Ladies and Gentlemen:

We are pleased to present the *Comprehensive Annual Financial Report* (CAFR) of the South Carolina Retirement Systems (Systems) as administered by the South Carolina Public Employee Benefit Authority (PEBA), for the fiscal year ended June 30, 2015. Section 9-1-300 of the South Carolina Code of Laws requires that a report be published annually showing the fiscal transactions of the Systems, and the CAFR fulfills that statutory requirement. PEBA is considered a division of the primary government of the state of South Carolina; and therefore, financial information for the Retirement Systems' trust funds is also included in the CAFR of the state of South Carolina. Responsibility for both the accuracy of the data, and the completeness and reliability of the presentation, including all disclosures, rests with the management of PEBA. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of the Systems.

The CAFR was prepared to conform to the principles of governmental accounting and reporting set forth by the Governmental Accounting Standards Board (GASB). GASB is an organization established under the Financial Accounting Foundation and establishes and approves governmental standards. GASB is recognized as the official source of generally accepted accounting principles (GAAP) for state and local governments.

Financial transactions of the Systems are reported on the accrual basis of accounting. Sufficient internal accounting controls exist to provide reasonable assurance regarding the safekeeping of assets and fair presentation of the financial statements and supporting schedules, with consideration that the cost of internal control should not exceed anticipated benefits.

The financial statements presented in this CAFR have been independently audited by CliftonLarsonAllen, LLP, under the direction of the State Auditor's Office. CliftonLarsonAllen issued an unmodified opinion, which means that based upon the financial audit; they concluded that the financial statements were fairly presented in all material respects and are free from material misstatement, in accordance with accounting principles generally accepted in the United States of America.

In accordance with Governmental Auditing Standards, as part of obtaining reasonable assurance about whether the Systems' financial statements are free of material misstatement, CliftonLarsonAllen also considered internal controls over financial reporting and compliance with certain provisions of laws, regulations, contracts, and other matters. Although independent auditors cannot guarantee the accuracy of the statements, they do have a reasonable basis for the opinion they rendered. The independent auditor's report is presented as the first

component of the financial section of this report. Management's Discussion and Analysis (MD&A), which can also be found in the financial section starting on Page 29, provides a narrative introduction to and analysis of the financial statements. This letter of transmittal is meant to complement the MD&A and should be read in conjunction with it.

Profile of the Systems

PEBA is responsible for administering the South Carolina Retirement Systems' five defined benefit pension plans. A defined benefit plan is a retirement plan in which contributions are made to fund a level of retirement income at a future retirement date. Specified monthly service retirement benefits, as well as disability benefits and death benefits are provided to eligible members and/or their surviving beneficiaries. The plans' terms specify the amount of pension benefits to be provided at a future date or after a certain period of time. Monthly benefits are specified as a function of a formula that is based on years of creditable service, average final compensation, and age. PEBA's administrative and reporting structure is outlined in the Introductory Section of this report.

This report contains information on the following defined benefit pension trust funds:

- The South Carolina Retirement System (SCRS) was established July 1, 1945, to provide retirement and other benefits for teachers and employees of the state and its political subdivisions. SCRS covers employees of state agencies, public school districts, higher education institutions, other participating local subdivisions of government and individuals newly elected to the South Carolina General Assembly at or after the 2012 general election.
- The Police Officers Retirement System (PORS) was established July 1, 1962, to provide retirement and other benefits to police officers and firefighters. PORS also covers peace officers, coroners, probate judges and magistrates.
- The Retirement System for Members of the General Assembly of the State of South Carolina (GARS) was established January 1, 1966, to provide retirement and other benefits to members of the General Assembly. Retirement reform legislation closed the GARS plan to individuals newly elected to the South Carolina General Assembly at or after the 2012 general election.
- The Retirement System for Judges and Solicitors of the State of South Carolina (JSRS) was established July 1, 1979, to provide retirement and other benefits to state judges, solicitors. JSRS also covers circuit public defenders.
- The South Carolina National Guard Supplemental Retirement Plan (SCNG) was established July 1, 1975, to provide supplemental retirement benefits to members who served in the South Carolina National Guard.

Fiscal Year 2015 Highlights

Fiscal Year 2015 ended PEBA's third fiscal year of operations as an agency, having been created effective July 1, 2012, by the South Carolina General Assembly along with legislative retirement reform. The agency is governed by an 11-member Board of Directors. PEBA is responsible for administration of the various Retirement Systems and retirement programs of the state of South Carolina, including the State Optional Retirement Program and the S.C. Deferred Compensation Program, as well as the state's employee insurance programs.

Administrative Activities

PEBA has been under the leadership of its Board of Directors since its creation in 2012. Since that time, there have been various interim executive directors leading the newly formed agency; however, in July 2014, PEBA's Board of Directors appointed Peggy G. Boykin, CPA, as the agency's first permanent executive director.

A major focus during fiscal year 2015 was the review and assessment of the reasonableness and adequacy of PEBA's organizational structure as it related to administration of the retirement and insurance programs. In an effort to streamline the flow of communication, merge common core business functions, and maintain sufficient staffing, the agency was restructured and many positions that had previously been left vacant were filled. PEBA's management continues to develop formal training and education programs and policies, with a high priority on succession planning. Operational consolidation was necessary in some areas to eliminate overlapping responsibilities. As a result, the previously separate Insurance Benefits and Retirement Benefits operational functions were consolidated under the management of the Chief Financial Officer position. Organizational changes were designed to make PEBA function more efficiently, effectively, and most importantly, responsively to its stakeholder groups. This goal was also the mitigating factor behind the creation of the new Employer Services Unit. This new unit is still being fully developed with three major goals:

- Educating employers on PEBA functions, services and legislation; and providing employers with the essential tools and resources to effectively meet their PEBA related responsibilities;
- Ensuring our diverse group of employers receive high quality customer services across PEBA functions; and
- Advocating for operational and technical improvements to PEBA functions to benefit our employers.

Along with reviewing the agency's structure, PEBA also developed Characteristics of High Performance, which were designed to define and promote an organizational culture of high performance. Town Hall style meetings were conducted in which these characteristics were introduced and promoted to staff. Management explained how these characteristics should guide staff performance of individuals and our agency and this forum was an opportunity for staff to offer comments and feedback.

During the year, PEBA put forth significant effort to introduce and promote a unique identity for the agency, the first few years of the agency's existence having been focused primarily on identifying operational efficiencies and realignment opportunities. PEBA introduced a distinctive graphic element and tagline as tools to help educate stakeholders about the agency and reflect the consolidation of the administration of the state's public employee insurance and retirement benefits programs. The new identity elements are part of a broader educational campaign to inform stakeholders of PEBA's existence as a state agency and to clarify that the agency is responsible for both the state's employee insurance programs and the retirement systems. PEBA believes these efforts are a necessary part of telling the agency's story in the wake of many years of the insurance and retirement programs having been administered by separate divisions of state government. The new identity elements have been incorporated into this year's CAFR. Additionally, a style guide and document and other templates were developed and issued to staff to help ensure that PEBA presents a consistent look and feel across all communications channels. As part of this update, PEBA staff recommended and the Board approved including the new graphic element on collateral that is produced by the agency's various insurance and retirement vendors. Along with this identify awareness effort, PEBA staff began a strategic review and an oversight initiative of all external vendors' marketing and communications plans and contractual responsibilities.

PEBA participated in Cost Effectiveness Measurement (CEM), Inc.'s benchmarking survey for the Retirement Systems for fiscal year 2014. These pension administration benchmarking results were communicated to the Board and management in March 2015. Benefits of the program include measuring and managing

administration costs and member service as well as receiving insight into current trends and best practices. Results indicated that the Retirement Systems' annual administrative cost per active member and annuitant was \$31 which was a 12.4 percent decrease over the past fiscal year and \$47 below the peer median of \$78. The Retirement Systems' cost per member was lower in all pension administration categories and was the 4th lowest overall cost in CEM's universe. Primary reasons for the differences in total cost were lower costs per full time equivalent (FTE) position and lower costs for back office activities. PEBA also experienced a decreased allocation of FTE's to pension administration responsibilities during FY2014. Additionally, the survey results reported that the Retirement Systems' total service score of 76 was below the peer median of 80. Service scores are based on turnaround times, availability, choices, content and quality. Trends in pension administration include improved electronic communication and transactions, targeting and segmentation of membership and retirement preparedness. Recommendations for improving service scores are being evaluated.

Public Policy Activities

Beginning in October 2014, Funston Advisory Services (FAS), with oversight from the South Carolina Office of the State Inspector General (SIG), conducted a fiduciary performance audit of PEBA. The purpose of the audit was to critically evaluate the fiduciary roles and responsibilities of PEBA and staff; the relationship with other fiduciaries of the Retirement Systems; and the operational policies and practices of PEBA. The goal of the audit was to identify areas of strengths and weaknesses, provide comparison with leading practices of other retirement plans and make recommendations for improvement.

The final report, which was issued on January 16, 2015, contained 113 recommended improvements. Of the recommendations presented, 102 can be addressed by PEBA directly; however, legislative changes by the General Assembly will be needed for the remaining 11. During the audit, FAS found that PEBA has been keeping its service promise while maintaining strong cost controls:

- 97 percent or higher customer satisfaction rating for the Call Center and Visitor Center for the previous two fiscal years; and
- PEBA staff are competent, dedicated and service oriented.

After the final FAS report was issued, PEBA staff incorporated the audit recommendations into PEBA's strategic actions plans for the organization. The Board of Directors adopted the action plans during its March 2015 retreat. As of June 30, 2015, PEBA had completed 47 of the recommendations. Completed tasks include:

- Confirming that State Optional Retirement Program and Deferred Compensation investment advisors acknowledge their compliance with the Securities and Exchange Commission;
- Prioritizing strategic planning as a focus for the PEBA Board of Directors;
- Updating the PEBA Board of Directors' Bylaws and Committee Charters to include formalizing a process for calling a committee meeting and developing an agenda, developing a Board Orientation Manual and process for new board members, and creating a framework for evaluating the Executive Director; and
- Enhancing the PEBA Board's Education Policy to include an expanded framework on ethical standards and fiduciary training and adding an outside, non-vendor training requirement.

In summary, PEBA's efforts to continue implementation of recommendations from FAS' fiduciary audit report, include a slate to complete 28 of the tasks in fiscal year 2016; 11 in fiscal year 2017; and six in fiscal year 2018.

During fiscal year 2015, PEBA staff continued to work closely with the external actuary and participating employers to provide education and information to participating employers in order for them to implement the requirements of Governmental Accounting Standards Board (GASB) Statement 68. Staff surveyed employers to

obtain information about their audit and financial statements and to ensure PEBA has appropriate contact information for the senior level finance contact for each employer. The first GASB 68 Special Audit as of the June 30, 2014, Measurement Date was completed by our external audit firm for which an unmodified opinion was issued. Staff also continued to enhance PEBA's online GASB resource center by adding the following to the public website:

- Pension Disclosure Memorandum for June 30, 2014, Measurement Date;
- A four-part Online Educational Series on GASB 67/68;
- June 30, 2014, Accounting Valuation Report;
- Contribution Reconciliation Template for Employers; and
- Q&A Document with Frequently Asked Questions.

Operational System Improvements

During fiscal year 2015, PEBA began a broad operational assessment to evaluate its business processes and procedures for consolidating the Insurance and Retirement information technology systems. One of the goals of the assessment is to increase the availability of online services for employers and members. PEBA will also ensure that its information technology resources are deployed in the safest and most secure manner feasible. The initial assessment is scheduled to be completed by June 2016 and will include a roadmap and recommendations for implementation moving forward.

PEBA also unveiled a new feature on our secure Electronic Employer Services (EES) website that allows participating employers to initiate and submit retirement enrollment elections for newly hired employees through EES. The online enrollment should eliminate most paper forms and processes.

Summary of Financial Condition

Actuarial Results

The main funding objective of the pension trust funds is to meet future benefit obligations of retirees and beneficiaries through employee and employer contributions and investment earnings. Each year, the external consulting actuaries determine the actuarial soundness of the plans based on long term obligations and the sufficiency of current contribution levels to fund the liabilities of each plan over a reasonable time frame. As of the July 1, 2014 valuations, funding levels of all the plans are such that annual expected contributions are sufficient to maintain a funding period that does not exceed 30 years; however, because the market value of assets is less than the actuarial value of assets, there are currently deferred investment losses that will either be offset by future investment gains or be recognized as investment losses in future years. The changes in the levels of funding do not affect the availability of funds or resources for future use and actuarial projections indicate that unfunded liabilities should be amortized and funded within acceptable funding guidelines.

The July 1, 2014, actuarial valuations, adopted by the PEBA Board and subsequently provided to the S.C. State Fiscal Accountability Authority, determined the actuarial status of each plan and concluded that the employee and employer contribution requirements for fiscal year 2017 will remain unchanged from the rates scheduled to be in effect for fiscal year 2016.

The funded ratios of the five plans as of July 1, 2014, range from a low of 38.7 percent for SCNG to a high of 69.5 percent for PORS. The funded ratio for SCRS, which represents the largest membership of the five plans, increased from 62.5 percent to 62.7 percent while PORS went up from 69.2 percent to 69.5 percent. Changes in funded ratios were primarily due to increased contribution levels and the recognition of investment gains and

losses which are recognized using a five-year smoothing method. Based on the current funding policy and absent future unfavorable experience, the funded ratio (on an actuarial value of asset basis) is expected to remain relatively constant for the next several years then begin to gradually improve. The funded ratio of SCNG continues to be very low because at one time, the plan was not funded on an actuarially sound basis. However, since 2006 when the General Assembly transferred administrative responsibility to the Retirement Division, their commitment to ensure the SCNG plan would be sufficiently funded prospectively has been maintained and the funded ratio has steadily improved. Each year recurring funds are set aside in the state's annual budget to fund SCNG over an amortization period that does not exceed 30 years, so continued future improvement in the funded ratio is expected.

As of July 1, 2014, the unfunded actuarial accrued liability for SCRS increased from \$15.4 billion to \$16.0 billion and PORS increased from \$1.74 billion to \$1.80 billion. The largest source of increase was the result of continual recognition of deferred investment losses in the actuarial value of assets. Absent significant favorable investment experience, those deferred losses will continue to be reflected, or smoothed, in the actuarial value of assets over the next few years. Other non-investment related experience activity such as mortality, salary experience, payroll growth and turnover, which are considered normal within the course of plan experience, contributed to other actuarial gains and losses, as actual experience cannot be precisely predicted and will never exactly match the estimated assumptions.

Actuarial smoothing techniques which defer investment gains and losses help to dampen the short-term volatility inherent in investment markets by allowing only a portion of investment gains and losses to be recognized each year. Although actual investment returns for fiscal year 2014 were greater than the assumed rate of return, using smoothing techniques, all of the Systems recognized a net actuarial loss on investment returns for the valuation year. For SCRS, the smoothing methodology resulted in a net amount of \$1.2 billion in excess investment losses being deferred as of the July 1, 2014 valuation.

For additional financial information, refer to management's discussion and analysis, financial statements and schedules included in the financial section and the actuarial section of this report. It is important to note that the actuarial valuations determine the funding of the pension plans; however, under new standards issued by the Governmental Accounting Standards Board (GASB), Statements 67 and 68 completely disconnect the funding of pensions from the accounting and reporting of pensions.

Investment Performance

As of June 30, 2015, the custodial bank reported that assets of the pension trust funds, invested and managed by the Retirement System Investment Commission (RSIC), were valued at \$29.2 billion. The plans are in a negative cash flow position as benefit payments in the amount of \$3.5 billion (on a cash flow basis) significantly exceeded the receipt of only \$2.4 billion in contributions (on a cash flow basis). This resulting negative net cash outflow of \$1.1 billion in net benefit obligations during the year represents approximately 3.6 percent of the portfolio's assets.

Capital markets during the fiscal year were challenging for the Plan as broad US equity indices showed modest gains, domestic fixed income showed mixed results, and international and emerging markets, both equity and fixed income, were generally negative. Real estate and private equity asset classes posted strong positive returns. The RSIC Plan assets earned a return of 1.60 percent net of fees on a time-weighted calculation basis for the fiscal year ending June 30, 2015, compared to the Policy benchmark's return of 1.21 percent. This is sixth consecutive year that the fund has experienced a positive annual return. The three-year annualized net of fees

return was 8.81 percent as of the fiscal year end compared to the Policy benchmark return of 7.74 percent. The Plan's actuarial assumed rate of return is 7.50 percent.

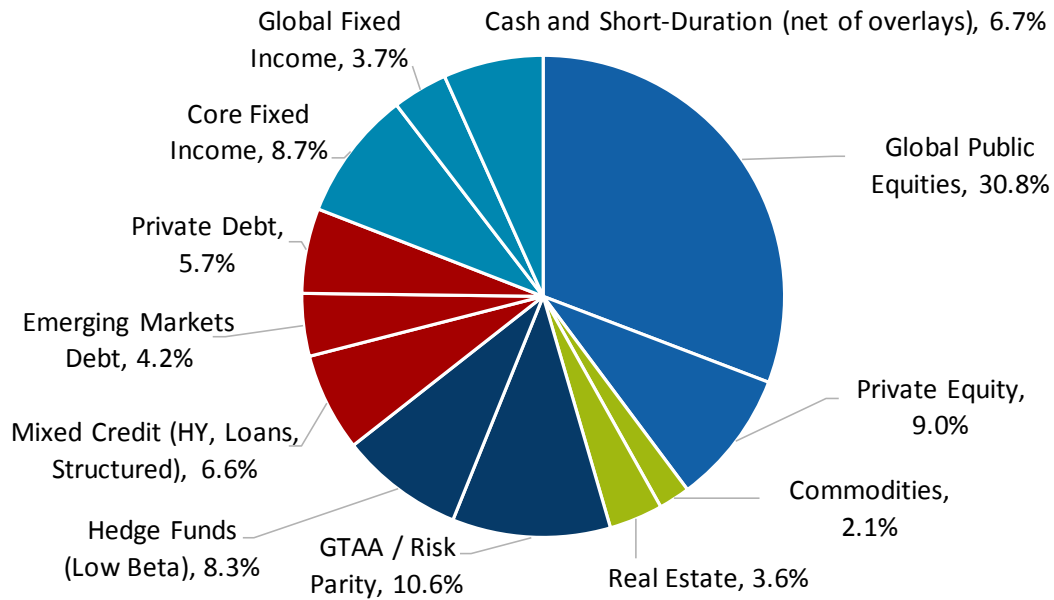
The plan assets are invested by the Commission in a manner consistent with a long-term investment time horizon. While the financial markets continue to experience significant volatility, the assets of the Retirement Systems are invested in a broadly diversified manner in an effort to mitigate risk. Although member benefits accrued and payable under the Retirement Systems' defined benefit plans are not dependent on individual member account balances, investment returns are a critical overall funding component.

An optimally diversified investment portfolio is designed to generate long-term returns sufficient to ensure the program's financial stability. While the Systems' investment performance was historically constrained by state constitution and state statute, the Commission has implemented a fully diversified asset allocation policy. With the help of the retained investment consultant, Aon Hewitt Investment Consulting, the RSIC manages investments across an asset allocation designed to generate attractive long-term risk-adjusted returns at a prudent level of risk.

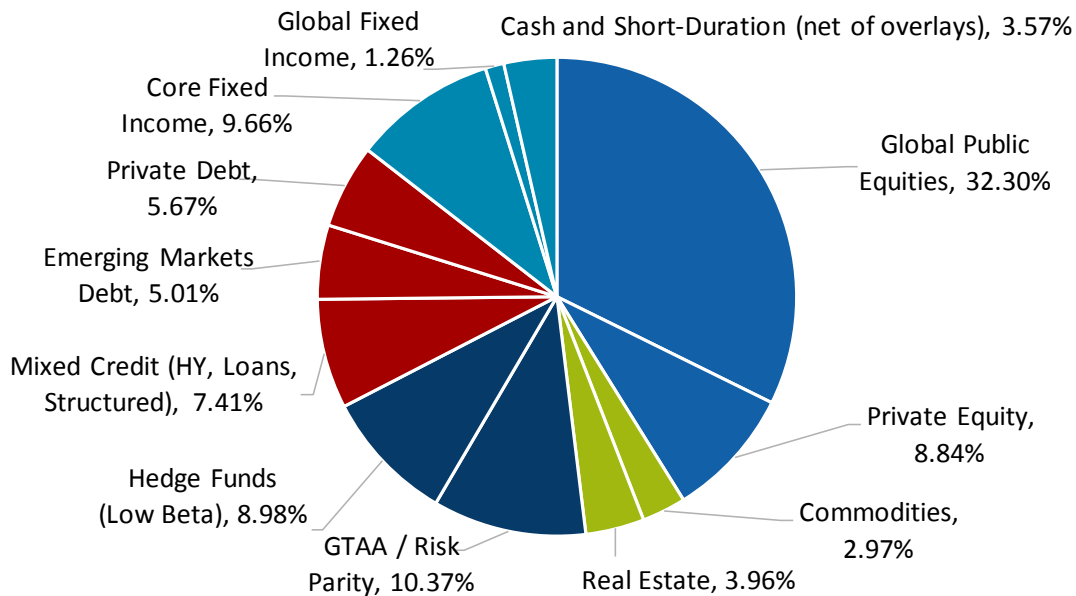
The RSIC provided the charts on pages 16-17, which summarize the diversification progress of managing the asset allocation of the Retirement Systems' trust funds for the prior and most recent fiscal year and the RSIC's target allocation in effect as of fiscal year ended June 30, 2015.

Investment performance, in comparison to the actuarial assumed rate of investment return, is one of the most significant factors in the actuarial valuations. As mentioned above, the actuarial asset valuation method utilized dampens year-to-year fluctuations, smooths the effect of volatility in the market and helps provide a consistent estimate for the actuarial value of assets. Detailed investment results for fiscal year 2015 can be found within both the financial and investment sections of this report.

Portfolio Exposure as of June 30, 2014



Portfolio Exposure as of June 30, 2015

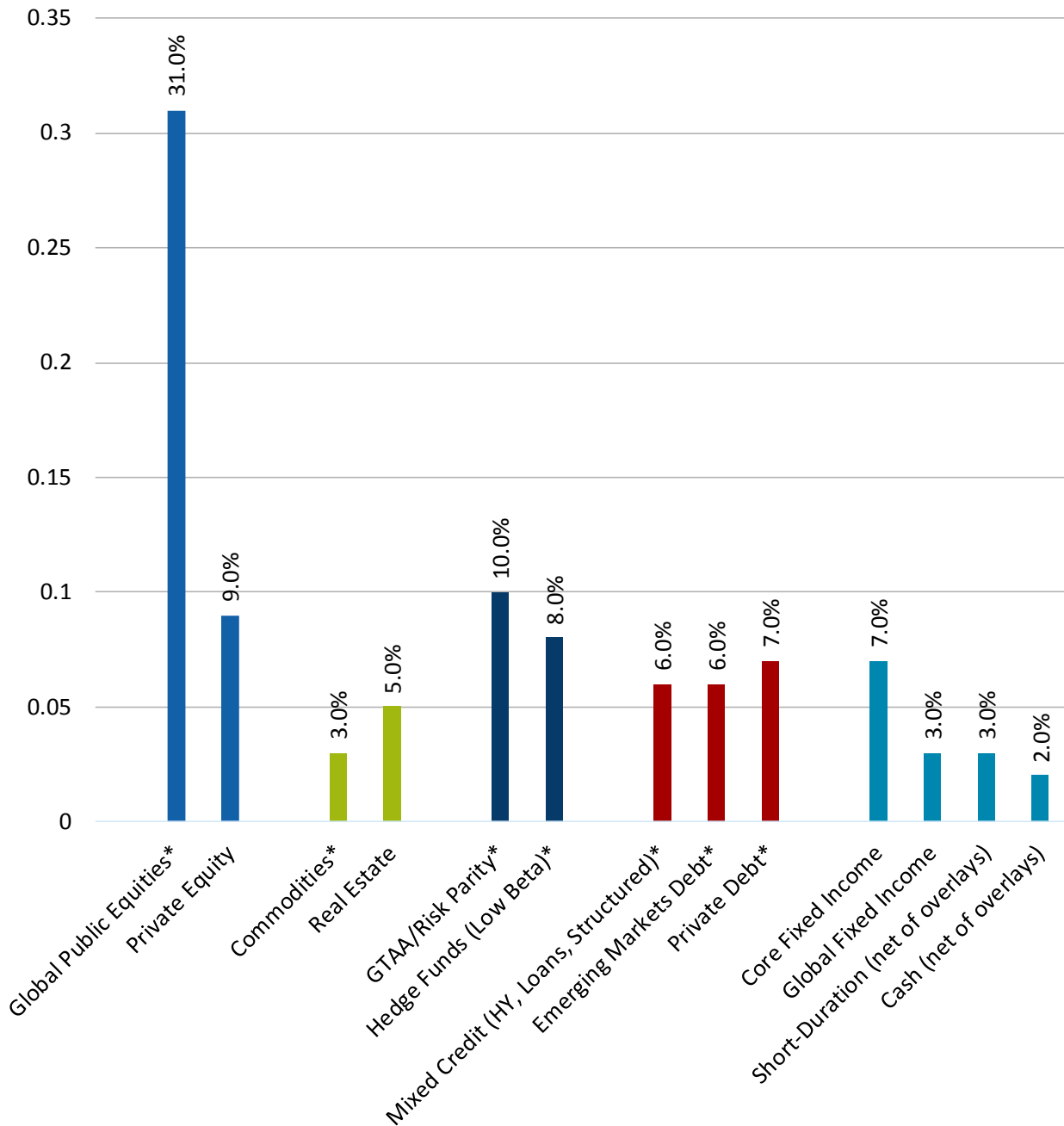


■ Global Equity	Global Public Equities*	■ Real Assets	Commodities*	■ Opportunistic	GTAA/Risk Parity*
	Private Equity		Real Estate		Hedge Funds (Low Beta)*
	■ Diversified Credit		■ Conservative Fixed Income		
	Mixed Credit (HY, Loans, Structured)*		Core Fixed Income		
	Emerging Markets Debt*		Global Fixed Income		
	Private Debt*		Short-Duration (net of overlays)		
			Cash (net of overlays)		

Note: Values rounded for presentation purposes. Portfolio exposure includes both adjustments made by managers that invest across asset classes and exposure from the RSICs derivative overlay program.

**Asset classes in which hedge funds can be used, up to a maximum of 15% across the entire portfolio.*

Target Asset Allocation



Global Equity

Global Public Equities*
Private Equity

Diversified Credit

Mixed Credit (HY, Loans, Structured)*
Emerging Markets Debt*
Private Debt*

Real Assets

Commodities*
Real Estate

Conservative Fixed Income

Core Fixed Income
Global Fixed Income
Short-Duration (net of overlays)
Cash (net of overlays)

Opportunistic

GTAA/Risk Parity*
Hedge Funds (Low Beta)*

Note: Target Asset Allocation in effect since July 1, 2013 - adopted and amended by the Commission on September 26, 2013.

**Asset classes in which hedge funds can be used, up to a maximum of 15% across the entire portfolio.*

Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the South Carolina Retirement Systems for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2014. This was the 28th consecutive year that the Retirement Systems has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

Public Pension Standards Award


The South Carolina Retirement Systems received the Public Pension Coordinating Council's Public Pension Standards Award in 2015 for the 12th consecutive year in recognition of meeting professional plan design and administration standards. The Public Pension Coordinating Council is a confederation of the National Association of State Retirement Administrators, the National Conference on Public Employee Retirement Systems, and the National Council on Teacher Retirement.

Acknowledgments

The compilation of this report reflects the combined efforts of the staff of PEBA functioning under your leadership. The report is intended to provide comprehensive and reliable information about the Retirement Systems, to demonstrate compliance with legal provisions, and to allow for the evaluation of responsible stewardship of the trust funds of the Retirement Systems.

We express our gratitude to the members of the S.C. State Fiscal Accountability Authority, PEBA's Board of Directors, the S.C. General Assembly, the RSIC, the staff, the consultants, and the many people who have worked so diligently to assure the continued successful operation of the Retirement Systems for the members we serve.

Respectfully submitted,



Peggy G. Boykin, CPA
Executive Director



Travis J. Turner, CPA, CISA
Chief Financial Officer



Tammy B. Nichols, CPA
Retirement Finance Director



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**South Carolina Employee Benefit
Authority - South Carolina Retirement
Systems**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2014

Executive Director/CEO



Public Pension Coordinating Council

***Public Pension Standards Award
For Funding and Administration
2015***

Presented to

South Carolina Retirement Systems

In recognition of meeting professional standards for
plan funding and administration as
set forth in the Public Pension Standards.

Presented by the Public Pension Coordinating Council, a confederation of

National Association of State Retirement Administrators (NASRA)
National Conference on Public Employee Retirement Systems (NCPERS)
National Council on Teacher Retirement (NCTR)

Alan H. Winkle
Program Administrator

Governing Board and Administration as of Issuance

S.C. Public Employee Benefit Authority Board of Directors

Arthur M. Bjontegard, *Chairman*

Frank W. Fusco

Stephen M. Heisler

Stacy Kubu

Sheriff Leon Lott

Steve A. Matthews

Stephen Osborne

Joe W. “Rocky” Pearce, Jr.

Audie Penn

John A. Sowards

David J. Tigges

Retirement System Investment Commission¹

Edward N. Giobbe, MBA, *Chairman*

Dr. Rebecca M. Gunnlaugsson, *Vice Chairman*

Allen R. Gillespie, CFA

Curtis M. Loftis, Jr., *State Treasurer*

Dr. Ron P. Wilder

Reynolds Williams, J.D., CFP

Peggy G. Boykin, CPA

Michael Hitchcock, *Chief Executive Officer*

Geoffrey Berg, CFA, *Acting Chief Investment Officer*

Andrew Chernick, CPA, *Managing Director of Operations and Operational Due Diligence*

Investment Consultant

Aon Hewitt Investment Consulting, Inc.

Custodial Bank

BNY Mellon Asset Servicing

Consulting Actuaries

Gabriel Roeder Smith & Company

S.C. Public Employee Benefit Authority Executive Management

Peggy G. Boykin, CPA

Executive Director

Sarah Niegsch Corbett, CPA

Chief Operating Officer

Travis J. Turner, CPA

Chief Financial Officer

John E. Page, CIA, CISA

Director of Internal Audit

Stephen Van Camp, J.D.

General Counsel

Robin E. Tester

Healthcare Policy Director

Gwen Bynoe

Governmental Affairs

Heather Muller

Board Liaison

S.C. Public Employee Benefit Authority staff responsible for compilation of CAFR

Tammy B. Nichols, CPA

Retirement Finance Director

Danielle M. Quattlebaum, CPA

Retirement Systems Finance

Faith Wright

Retirement Systems Finance

Ashley M. Brindle, CPA

Retirement Systems Finance

Megan B. Lightle

Communications Director

Angie Warren

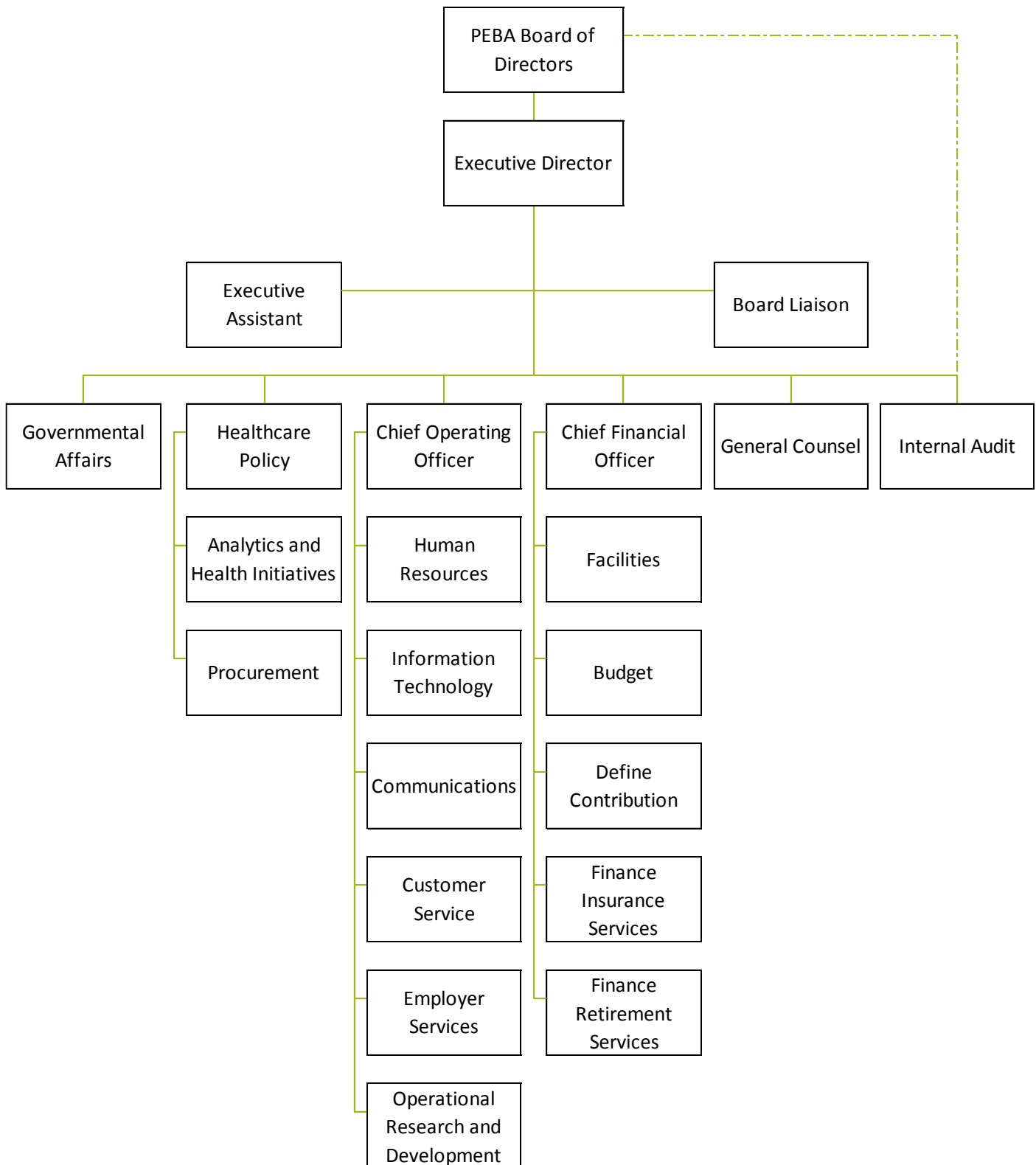
Communications Manager

Heather H. Young

Communications Manager

¹Refer to Pages 104-108 for a list of investment managers and fees.

S.C. PEBA Organizational Chart



Organizational Description

The structural organization of the South Carolina Public Employee Benefit Authority (PEBA) is depicted in the organizational chart on Page 22. A brief description of the primary functions performed by each department follows:

Governmental Affairs

Serves as liaison to the SC General Assembly. Provides research and assistance to legislative staff in the provisions of retirement and health benefits, both in the service of constituents and legislation governing the agency.

Healthcare Policy

Directs healthcare policy for the public employee insurance benefits package. Oversees the research, analysis, and pricing of the State Health Plan. Directs contract and plan compliance in offering the most cost effective options while providing maximum benefit within regulatory requirements.

Chief Operating Officer

Provides leadership and oversight of internal operations and administrative functions to include customer service, employer services, information technology, communications and human resources. Directs operational research and development and the development and implementation of agency strategic plans.

Chief Financial Officer

Directs the financial activity and financial reporting of the retirement plans and insurance benefits offered to public employees. Provides oversight and leadership to the financial operations of insurance benefits and Other Post Employment Benefit trusts, five defined benefit plans, a defined contribution plan and the deferred compensation program.

General Counsel

Provides consultation to agency leadership and staff concerning the operation and compliance of governmental employee retirement and insurance benefit plans. Represents the agency in matters at the administrative, trial and appellate levels, and coordinates associated outside legal counsel.

Internal Audit

Responsible to the Board of Directors for providing independent analysis and assurance of agency processes, policies and internal controls.

This page contains no other content.